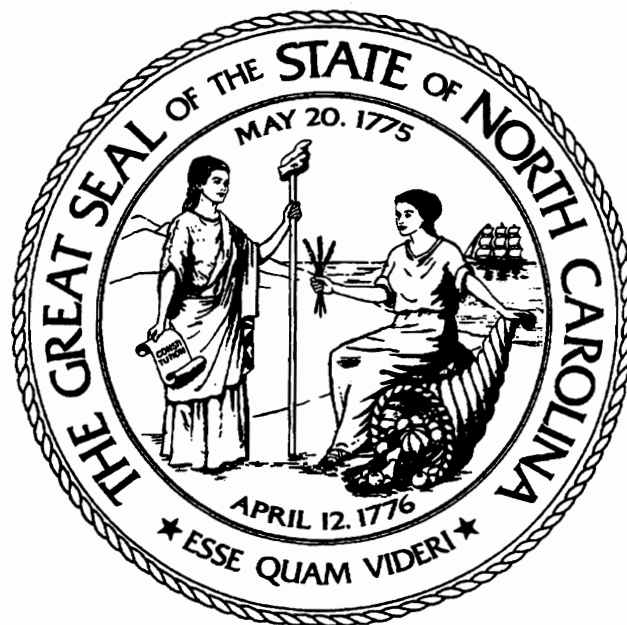


**JOINT LEGISLATIVE COMMISSION
ON MUNICIPAL INCORPORATIONS**



**REPORT TO THE
GENERAL ASSEMBLY
OF NORTH CAROLINA
Proposed Town of Rougemont**

July 13, 2005

and counties of the diversion of already levied taxes or State-shared revenues to support services in the proposed Town of Rougemont (a copy of the report is attached as Appendix G). The data provided by the Department (based upon figures from 2004-2005) shows that sales tax revenues in Durham County are distributed on a per capita basis. If the proposed Town of Rougemont had been incorporated at that time, it would have received \$11,440 in sales tax revenues. The incorporation of Rougemont would have a marginal impact on the distribution of Powell Bill funds in the State and Durham County. No revenue shift of utility excise taxes is expected since the incorporation of Rougemont would encompass areas that are not currently part of another municipality.

The Commission finds that the proposed Town of Rougemont meets the standards required by Article 20 of Chapter 160A of the General Statutes, and therefore the Commission recommends incorporation of the area as the Town of Rougemont.

APPENDIX B

Article 20.

Joint Legislative Commission on Municipal Incorporations.

Part 1. Organization.

§ 120-158. Creation of Commission.

(a) There is created the Joint Legislative Commission on Municipal Incorporations, referred to in this Article as "Commission".

(b) The Commission shall consist of six members, appointed as follows:

- (1) Two Senators appointed by the President Pro Tempore of the Senate;
- (2) Two House members appointed by the Speaker;
- (3) One city manager or elected city official, appointed by the President Pro Tempore of the Senate from a list of three eligible persons nominated by the North Carolina League of Municipalities; and
- (4) One county commissioner or county manager, appointed by the Speaker from a list of three eligible persons nominated by the North Carolina Association of County Commissioners.

§ 120-159. Terms.

Members shall be appointed for terms ending June 30, 1987, and subsequently for two-year terms beginning July 1, 1987, and biennially thereafter. A member eligible when appointed may continue for the remainder of the term regardless of the member's continued eligibility for the category. The Commission shall elect a chairman from its membership for a one-year term.

§ 120-160. Compensation.

Members of the Commission who are members of the General Assembly shall receive subsistence and travel allowances as provided by G.S. 120-3.1. Members who are State officers or employees shall receive subsistence and travel allowances as provided by G.S. 138-6. All other members shall receive per diem, subsistence, and travel allowances as provided by G.S. 138-5.

§ 120-161. Facilities and staff.

The Commission may meet in the Legislative Building or the Legislative Office Building. Staff for the Commission shall be provided by the Legislative Services Commission. The Commission may contract with the Institute of Government, the Local Government Commission, the Department of Environment and Natural Resources, or other agencies as may be necessary in completing any required studies, within the funds appropriated to the Commission.

Part 2. Procedure for Incorporation Review.

§ 120-163. Petition.

(a) The process of seeking the recommendation of the Commission is commenced by filing with the Commission a petition signed by fifteen percent (15%) of the registered

- (3) All cities in any other county that are within five miles of the proposed municipality of the intent to present the petition to the Commission.

(b) The petitioners shall also publish, one per week for two consecutive weeks, with the second publication no later than seven days before submitting the petition to the Commission, notice in a newspaper of general circulation in the area proposed to be incorporated of the intent to present the petition to the Commission.

§ 120-165. Initial inquiry.

(a) The Commission shall, upon receipt of the petition, determine if the requirements of G.S. 120-163 and G.S. 120-164 have been met. If it determines that those requirements have not been met, it shall return the petition to the petitioners. The Commission shall also publish in the North Carolina Register notice that it has received the petition.

(b) If it determines that those requirements have been met, it shall conduct further inquiry as provided by this Part.

§ 120-166. Additional criteria; nearness to another municipality.

(a) The Commission may not make a positive recommendation if the proposed municipality is located within one mile of a municipality of 5,000 to 9,999, within three miles of a municipality of 10,000 to 24,999, within four miles of a municipality of 25,000 to 49,999, or within five miles of a municipality of 50,000 or over, according to the most recent decennial federal census, or according to the most recent annual estimate of the Office of State Budget, Planning, and Management if the municipality was incorporated since the return of that census.

(b) Subsection (a) of this section does not apply in the case of proximity to a specific municipality if:

- (1) The proposed municipality is entirely on an island that the nearby city is not on;
- (2) The proposed municipality is separated by a major river or other natural barrier from the nearby city, such that provision of municipal services by the nearby city to the proposed municipality is infeasible or the cost is prohibitive, and the Commission shall adopt policies to implement this subdivision;
- (3) The municipalities within the distances described in subsection (a) of this section by resolution express their approval of the incorporation; or
- (4) An area of at least fifty percent (50%) of the proposed municipality has petitioned for annexation to the nearby city under G.S. 160A-31 within the previous 12 months before the incorporation petition is submitted to the Commission but the annexation petition was not approved.

§ 120-167. Additional criteria; population.

The Commission may not make a positive recommendation unless the proposed municipality has a permanent population of at least 100 and a population density (either permanent or seasonal) of at least 250 persons per square mile.

§ 120-168. Additional criteria; development.

(c) If the Commission determines that it is not barred from making a positive recommendation, it shall make a positive recommendation to the General Assembly for incorporation.

(d) The report of the Commission on a petition shall be in a form determined by the Commission to be useful to the General Assembly.

§ 120-172. Referendum.

Based on information received at the public hearing, the Commission may recommend that any incorporation act passed by the General Assembly shall be submitted to a referendum, except if the petition contained the signatures of fifty percent (50%) of registered voters the Commission shall not recommend a referendum.

§ 120-173. Modification of petition.

With the agreement of the majority of the persons designated by the petition as an interim governing board, the Commission may submit to the General Assembly recommendations based on deletion of areas from the petition, as long as there are no noncontiguous areas.

§ 120-174. Deadline for recommendations.

If the petition is timely received under G.S. 120-163(e), the Commission shall make its recommendation to the General Assembly no later than 60 days after convening of the next regular session after submission of the petition.

In addition, each member of the Joint Legislative Commission on Municipal Incorporations will receive:

- A charter for the Town of Rougemont
- Copy of the letter from the Durham County Board of Elections verifying 309 official signatures signed the petition for incorporation
- Copy of the official map of the area to be incorporated
- Fact sheet indicating requirements according to Article 20, Joint Legislative Commission on Municipal Incorporations, Part 2, sections 120-163 through 120-169.1
- Copy of Rougemont Community Census form, containing the directions for conducting the census on the reverse side.
- Copy of a blank petition form including basic community facts on the reverse side
- Copy of the Fall 2004 *Rougemont Reporter* containing an article announcing the intent to and plans for conducting the community census and collecting petition signatures as well as the plans for incorporation, steps to be followed, questions and answers about the incorporation, and a preliminary map of the area to be incorporated
- Copy of the Winter 2004 *Rougemont Reporter* announcing progress on the incorporation effort
- Copy of the legal notification published in the Durham Herald-Sun on Monday, January 10, 2005 and repeated on Monday, January 17, 2005.
- Copy of the letter of notification sent to Durham County Commissioners, the Durham County Manager, the Mayor and members of the Durham City Council, and the Durham City Manager on January 14, 2005

Please let us know if your Commission is in need of clarification or further information. Please contact Joseph F. Haenn (Raleigh work number in the Department of Administration: 715-0243 or home number: 477-3269) or John Anderson (477-2067).


Joseph F. Haenn
Chair,
Census and Petitions Committee

joestrainrepair@yahoo.com

February 17, 2005

Oliver Bass
Planner
North Carolina Department of Commerce
Division of Community Assistance
Community Development Planning Program
Central Regional Office
1307 Glenwood Avenue, Suite 250
4313 Mail Service Center
Raleigh, NC 27699-4313

Oliver:

Below is the statement that you requested in your follow-up response relevant to our application for the incorporation of the Town of Rougemont to the Joint Legislative Commission on Municipal Incorporation:

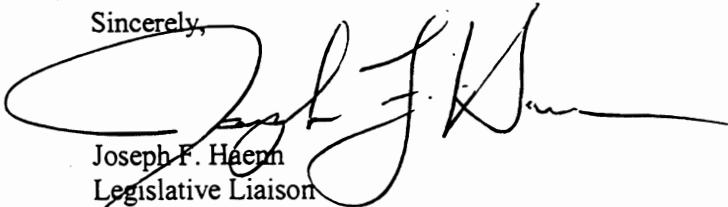
As part of its requirement to meet basic municipal services to its residents, the Town of Rougemont will assess an ad valorem tax levy of at least five cents (5¢) per one hundred dollar (\$100.00) valuation upon all taxable property within its corporate limits.

In actuality, purchase of fire, rescue, and EMS services from the Bahama Volunteer Fire, Rescue, and EMS Company, Inc., will result in a 6 mil (6 cents/\$100 valuation) ad valorem tax levy alone. In addition, the Town of Rougemont will assess no more than 5 mils (\$0.05/\$100 valuation) for the provision of other Town services. We expect this to be 4 or 5 mils, for a total of 10 or 11 mils.

Enclosed with this letter are copies of the letters that were sent to the mayors of Chapel Hill, Morrisville, and Raleigh on Friday, February 4, 2005. In addition, the same letters were also sent to the other 20 elected officials in these three municipalities.

With the exception of the outstanding request of the Durham County Board of Elections, this response fulfills your request for further information. Please let us know if we can be of further assistance. I can be contacted at 919/715-0243 (weekdays in Raleigh) or 919/477-3269 (evenings and weekends) or you can contact John Anderson at 919/477-2067.

Sincerely,

A handwritten signature in black ink, appearing to read "Joseph F. Haern", is written over a horizontal line.

Joseph F. Haern
Legislative Liaison
Rougemont Incorporation Planning Committee

February 16, 2005

Oliver Bass
Planner
North Carolina Department of Commerce
Division of Community Assistance
Community Development Planning Program
Central Regional Office
1307 Glenwood Avenue, Suite 250
4313 Mail Service Center
Raleigh, NC 27699-4313

Oliver:

Below are the responses to the seven questions that were posed to us in response to our application for the incorporation of the Town of Rougemont to the Joint Legislative Commission on Municipal Incorporation. All of these answers are complete, with the exception of Item 2, which is now in the hands of the Durham County Board of Elections.

1. *Please provide a more legible map of the proposed town limits for the Town of Rougemont in northern Durham County (telephone request).*

Attachment 1, an 11 by 17 inch color map, is provided. On this map, County lines are marked, all streets are indicated and clearly marked, all property lines and property tax map numbers are indicated, and the proposed boundaries for the Town of Rougemont are drawn.

2. **NCGS 120-163(a) requires that the petition be signed by 15 percent of registered voters. To determine if this requirement is met I need to know the total number of registered voters (which must be verified by board of elections) that reside in the area.**

NCGS 120-163(b) requires the Board of Elections to state the number of registered voters in the area proposed for incorporation. The certification presented with the petition contains no such statement. It only states the number of voters who have been verified.

These two requests go hand-in-hand, and require the response of the Durham County Board of Elections. A request for this information (Attachment 2) as well as a listing of all valid street addresses within the proposed Town of Rougemont town limits (Attachment 3) as well as a map of the town were submitted to Michael Ashe, Director, Durham County Board of Elections. Once we receive their response, it will be forwarded to your office.

3. **NCGS 120-163(c) requires the petition to include a statement on degree of development in the area proposed for incorporation in terms of the area, or acres, of land developed rather than the number of properties that are developed.** The Durham County GIS Department may be able to assist you in obtaining this information. You may contact them at 919-560-4082.

As indicated on the Fact Sheet submitted previously, out of the 663 properties within the proposed boundaries for the Town of Rougemont, 102 of these properties are currently vacant properties or properties that contain only barns or outbuildings. Of the remaining properties, 528 contain residential dwellings and 33 properties contain businesses, churches, or the like.

The 102 "vacant" properties comprise 547.593 acres of land. Since there are a total of 2,515.963 contiguous acres of land (3.931 square miles) with the proposed boundaries, this means that a minimum of 78.235 percent of the area is developed. Note that if a "developed lot" includes lots containing just a barn or outbuilding and is not restricted to just commercial and residential properties, this degree of development is even higher.

4. **NCGS 120-163(c) also requires a statement that an ad valorem tax levy of at least \$0.05/\$100 valuation of all taxable property within the corporate limits.** I was only able to

PROPOSED BUDGET

TOWN OF ROUEMONT

BE IT ORDAINED by the Town Council of the Town of Rougemont, North Carolina

Section 1. The following amounts are hereby appropriated in the General Fund for the operation of the Town Government and its Activities for the Fiscal Year beginning July 1, 2006 and ending June 30, 2007, in accordance with the Chart of Accounts hereafter established for the Town:

Professional Dues/Publications/Education	\$ 300
Advertising	200
Salaries	15,000
Social Security & Medicare (Employer's Share)	250
Unemployment Tax	100
Employee Benefits	6,000
Governing Body	5,000
Auditing Fees	1,000
Attorney Fees	2,000
Printing	300
Office Supplies	200
Election Expense	250
Travel Expense	100
Telephone	200
Postage	100
Building Utilities	200
Contribution-Fire/Rescue	55,656
Miscellaneous-Town/Office	500
Insurance/Bond	500
Bank Charges	100
Cable TV Franchise Expense	500
Police Protection	170,00
Street Lighting	25,000
Planning and Zoning	75,000
Contingency	2,347
	\$ 360,803

Section 2. It is estimated that the following Revenues will be available in the General Fund for the Fiscal Year beginning July 1, 2005 and ending June 30, 2006:

County Sales and Use Tax	\$ 205,853
Beer and Wine Tax	4,225
Utility Franchise Tax	43,480
Interest Earned	500
Property and Vehicle Taxes	99,995
Cable TV Franchise Fees	6,500
Alcoholic Beverage Control Tax	250
	\$360,803

Section 3. There is hereby levied a tax at the rate of eleven cents (\$.1100) per one hundred dollars (\$100.00) Valuation of Property listed



DURHAM COUNTY BOARD OF ELECTIONS

Ronald A. Gregory
Chairman of the Board

Terrance T. McCabe
Secretary of the Board

706 W. Corporation Street
Durham, NC 27701
Telephone: (919) 560-0700
Fascimile: (919) 560-0688
E-mail: elections@co.durham.nc.us
Web-site: www.co.durham.nc.us/elec/

Carol W. Anderson
Board Member

Michael H. Ashe
Director of Elections


February 17, 2005

Joseph F. Haenn
404 Shetland Road
Rougemont, North Carolina, 27572

Dear Mr. Haenn,

On December 17, 2004, you submitted petitions for the Incorporation of Rougemont. Pursuant to GS 120-163 (a), petitions must be signed by 15 percent of the registered voters and GS 120-163 (b) requires the Board of Elections to state the number of registered voters in the area proposed for incorporation. On December 17, 2004, there were ~~646~~ voters in the area proposed for incorporation. The required 15 percent equals 97 signatures from qualified registered voters.

I hereby certify that the petitions received on December 17, 2004, for the Municipal Incorporation City of Rougemont was checked against the registration records of the Durham County Board of Elections and 309 names of qualified registered voters were found affixed thereto.


Michael H. Ashe
Director of Elections

1 boundary of aforementioned parcel, thence in a westerly direction along the southern
2 boundary of PIN 190585, thence in a northerly direction along the western boundaries
3 of PIN 190585, PIN 190586, PIN 190717, PIN 190715, PIN 190714, PIN 190712, and
4 PIN 190713 to the Durham/Person County line, thence in a westerly direction
5 following the Durham/Person County line to the northwest corner of PIN 190783,
6 thence in a southerly direction along the western boundaries of PIN 190783, PIN
7 190784, PIN 190785, PIN 190786, PIN 190787 and PIN 190788, thence in a westerly
8 direction and along the northern boundaries of PIN 190788 and PIN 190803, thence in
9 a southerly direction along the eastern boundary of PIN 189591 to the northwest corner
10 of PIN 189592, thence in an easterly direction along the northern boundary of PIN
11 189592, thence in a southerly direction along the eastern boundary of aforementioned
12 parcel, thence in a westerly direction along the southern boundary of aforementioned
13 parcel to PIN 189593, thence in a southerly direction along the eastern boundary of PIN
14 189593, thence in a westerly direction along the southern boundary of PIN 189593 and
15 the northern boundary of PIN 190812, thence in a southerly direction along the eastern
16 boundaries of PIN 189594 and PIN 189595, thence in a westerly direction along the
17 southern boundary of PIN 189595, thence in a northerly direction along the western
18 boundary of aforementioned parcel and continuing northerly along the western
19 boundary of PIN 189594 to PIN 189599, thence in an easterly direction along the
20 southern boundary of aforementioned parcel, thence in a northerly direction along the
21 eastern boundary of aforementioned parcel, thence in a westerly direction along the
22 northern boundary of aforementioned parcel, thence in a northerly direction along the
23 western boundaries of PIN 189590 and PIN 189589 to Harris Mill Road, thence in a
24 northerly direction along the eastern boundary of the Norfolk Southern railroad right-
25 of-way to the Durham/Person County line. Thence in a westerly direction along the
26 Durham/Person County line to the western right-of-way of U.S. Highway 501, thence in
27 a southerly direction along the western right-of-way of U.S. 501 to PIN 189580, thence
28 in an easterly direction along the southern boundary of PIN 189580 to the northwest
29 corner of PIN 189542, thence, in a southerly direction along the western boundary of
30 PIN 189542, thence in an easterly direction along the southern boundary of
31 aforementioned parcel to the western boundary of right-of-way of U.S. 501, thence in a
32 southerly direction along the western boundary of U.S. 501 right-of-way to the northeast
33 corner of PIN 189662, thence in a westerly direction along the northern boundary of
34 PIN 189662, thence in an easterly direction along the southern boundary of
35 aforementioned parcel to the western boundary of the U.S. 501 right-of-way, thence in a
36 southerly direction along the western boundary of U.S. 501 right-of-way to northeast
37 corner of PIN 189657, thence in a southwesterly direction along the northern boundary
38 of aforementioned parcel, thence in a southeasterly direction along the western
39 boundary of aforementioned parcel, thence in a westerly direction along the northern
40 boundary of PIN 189656, thence in a southerly direction along the western boundaries
41 of PIN 189656 and 189655, thence in a westerly direction along the northern boundaries
42 of PIN 189654 and 189636, thence in a southerly direction along the western boundary
43 of PIN 189636, thence in a westerly direction along the northern boundary of PIN
44 189653, thence in a northwesterly direction along the eastern boundary of PIN 189665,

1 direction along the eastern boundary of aforementioned parcel, thence in a
2 southwesterly direction along the northern boundaries of aforementioned parcel to PIN
3 189879, thence in a northwesterly direction along the eastern boundary of
4 aforementioned parcel, thence in a northerly direction along the western boundary of
5 parcel 189848, thence in an easterly direction along the northern boundary of
6 aforementioned parcel, thence in a southerly direction along the eastern boundary of
7 aforementioned parcel, thence in a southwesterly direction along the northwest
8 boundary of PIN 197183, thence in a southeasterly direction along the southwest
9 boundary of aforementioned parcel and crossing Bill Poole Road, thence in a westerly
10 direction along the southern right-of-way of Bill Poole Road to the western boundary of
11 PIN 189847, thence in a southerly direction along the western boundary of
12 aforementioned parcel, thence in an easterly direction along the southern boundary of
13 aforementioned parcel and continuing in an easterly direction along the southern
14 boundaries of parcels through PIN 189831 to the northwest corner of PIN 189830,
15 thence in a southerly direction along the western boundary of aforementioned parcel,
16 thence in an easterly direction along the southern boundary of aforementioned parcel to
17 the western right-of-way of U.S. 501, thence in a southerly direction along the western
18 boundary of the U.S. 501 right-of-way to PIN 189824, thence in a westerly direction
19 along the northern boundary of aforementioned parcel, thence in a southerly direction
20 along the eastern boundaries of PIN 189834, PIN 189835, and PIN 189867, thence in a
21 southeasterly direction along the northern boundary of PIN 190517, thence in a
22 southeasterly direction along the southwest boundary of PIN 190513, thence in a
23 northeasterly direction along the southeast boundary of aforementioned parcel to the
24 western right-of-way of U.S. 501. Thence crossing U.S. 501 and continuing along the
25 southeastern boundary of PIN 190530, thence in a northwesterly direction along the
26 northeast boundary of aforementioned parcel, thence in a southwesterly direction along
27 the northwestern boundary of aforementioned parcel to the northeastern boundary of the
28 U.S. 501 right-of-way, thence in a northwesterly and then northerly direction along the
29 eastern right-of-way of U.S. 501 to the southwestern corner of PIN 189820, thence in a
30 northeasterly direction along the southeastern boundary of aforementioned parcel to the
31 western boundary of the Norfolk Southern railroad right-of-way, thence in a southerly
32 direction along the western boundary of the Norfolk Southern railroad right-of-way to
33 the southwest corner of PIN 189793, thence in an easterly direction along the southern
34 boundary of aforementioned parcel. thence in a southeasterly direction along the
35 northeastern boundary of PIN 190625, thence in a southerly direction along the
36 northeastern boundary of PIN 190512, thence in a southeasterly and then easterly
37 direction along the northern boundary of aforementioned parcel to the southeast corner
38 of PIN 190645, thence in a northerly direction along the eastern boundary of
39 aforementioned parcel to the southern right-of-way of Lake Winds Trail, thence in an
40 easterly direction along the southern right-of-way of Lake Winds Trail, thence in a
41 southerly direction along the western boundary of PIN 190644, thence in an easterly
42 direction along the southern boundary of aforementioned parcel and continuing in an
43 easterly direction to the western right-of-way of Moores Mill Road, thence in a
44 northerly direction crossing Lake Winds Trail to the northeast corner of PIN 190663,

1 Town Council, and they shall possess and exercise the powers granted to the governing
2 body until their successors are elected or appointed and qualified pursuant to this
3 Charter. The temporary officers shall elect a person from among the members of the
4 temporary governing body to serve as interim mayor. If any person named in this
5 section is unable to serve, the remaining temporary officers shall, by majority vote,
6 appoint a person to serve until the initial municipal election is held in 2005.

7 Section 3.3. **Manner of Electing Town Council.** The qualified voters of the entire
8 Town shall elect the members of the Town Council and, except as provided in this
9 section, they shall serve four-year terms. In 2005, the three candidates receiving the
10 highest numbers of votes shall be elected to four-year terms and the two candidates
11 receiving the next highest numbers of votes shall be elected to two-year terms. In 2007,
12 and quadrennially thereafter, two members shall be elected to four-year terms. In 2009,
13 and quadrennially thereafter, three members shall be elected to four-year terms.

14 Section 3.4. **Manner of Electing Mayor; Term of Office; Duties.** At the
15 organizational meeting following each municipal election, the Town Council shall elect
16 one of its members as Mayor, and the Mayor shall serve at the pleasure of the Town
17 Council. The Mayor shall be the official head of Town government, shall preside at all
18 meetings of the Town Council, shall have the right to vote only when there is an equal
19 division on any question or matter before the Town Council, and shall exercise the
20 powers and duties conferred by law or as directed by the Town Council.

21 Section 3.5. **Residency Requirement.** Members of the governing body of the
22 Town of Rougemont, whether elected or appointed, must be qualified voters who reside
23 within the corporate limits of the Town in order to qualify to take, hold, and continue in
24 office.

25 "ARTICLE IV. ELECTIONS.

26 Section 4.1. **Conduct of Town Elections.** Elections shall be conducted on a
27 nonpartisan basis and results determined by a plurality as provided in G.S. 163-292.

28 Section 4.2. **Special Elections and Referenda.** Special elections and referenda
29 may be held only as provided by the general law of North Carolina, local acts of the
30 General Assembly, or as provided for in this Charter.

31 "ARTICLE V. ADMINISTRATION.

32 Section 5.1. **Town to operate Under Mayor-Council Plan.** The Town shall
33 operate under the Mayor-Council form of government as provided in Part 3 of Article 7
34 of Chapter 160A of the General Statutes.

35 Section 5.2. **Town Attorney.** The Town Council shall appoint a Town Attorney
36 licensed to practice law in North Carolina. It shall be the duty of the Town Attorney to
37 represent the Town, advise Town officials, and performs other duties as required by law
38 or as directed by the Town Council.

39 Section 5.3. **Town Clerk.** The Town Council shall appoint a Town Clerk who shall
40 perform duties as required by law or as directed by the Town Council. The Town Clerk
41 shall serve at the pleasure of the Town Council.

42 Section 5.4. **Other Officers and Employees.** The Town Council may appoint other
43 officers and positions as deemed appropriate, subject to the requirements of general law.

1 qualified voters of the Town, the Town Council shall submit ordinances adopted under
2 G.S. 160A-102 to a vote of the people.

3 **Section 8.3. Provision of services and Administration of Functions.** The Town
4 Council may enter into agreements with other governmental bodies and private
5 enterprises for the provision of services and administration of corporate functions in
6 order to provide the services and administer the functions in the most efficient and cost-
7 effective manner.

8 **Section 8.4. Conflict of Interest.** No person, or a member of the person's
9 immediate family, who is employed by or is an official of the Town of Rougemont shall
10 do business with the Town unless the Town Council specifically approves the activity.
11 All appointed officials of the Town must inform the Town Council of any conflicts of
12 interest and the failure to so inform shall constitute grounds for immediate dismissal for
13 cause. No official of the Town may accept any gratuity from any business, person, or
14 other official if the gratuity is related to his or her official duties.

15 **Section 8.5. Nepotism.** No person who is an immediate family member of an
16 elected official of the Town of Rougemont shall be appointed to or employed in a
17 position within Town government unless the appointment or employment is approved
18 by the entire Town Council.

19 **Section 8.6. Annexation.** The Town of Rougemont shall not extend its boundaries
20 into an adjoining county.

21 "ARTICLE IX. SPECIAL PROVISIONS.

22 **Section 9.1. Fire Protection.** The Town of Rougemont shall contract with the
23 Bahama Volunteer Fire, Rescue, and EMS Company, Inc. to provide fire protection for
24 the Town. The contract terms and amount paid by the Town of Rougemont to the
25 Bahama Volunteer Fire, Rescue, and EMS Company, Inc. shall be mutually agreed
26 upon and annually renewed by the Board of Directors of the Bahama Volunteer Fire,
27 Rescue, and EMS Company, Inc. and the Town Council.

28 **Section 9.2. Safety Protection.** The Town of Rougemont shall contract with the
29 Durham County Sheriff's Department to provide safety protection for the Town. The
30 contract terms and amount paid by the Town of Rougemont to the Durham County
31 Sheriff's Department shall be mutually agreed upon and annually renewed by the
32 Durham County Commissioners and the Town Council.

33 **Section 9.3. Impact Fees.** The Town of Rougemont shall not impose impact fees
34 without the vote of a majority of the qualified voters of the Town of Rougemont."

35 **SECTION 2.** The Durham County Board of Elections shall conduct an
36 election on a date set by the Board, to be not less than 60 nor later than 120 days after
37 this act becomes law, for the purpose of submission to the qualified voters for the area
38 described in Section 2.1 of the Charter of the Town of Rougemont the question of
39 whether or not the area shall be incorporated as the Town of Rougemont. Registration
40 for the election shall be conducted in accordance with G.S. 163-288.2.

41 **SECTION 3.** In the election, the question on the ballot shall be:

42 "[]FOR []AGAINST

43 Incorporation of the Town of Rougemont."

44 **SECTION 4.** In the election, if a majority of the votes are cast "For the
45 Incorporation of the Town of Rougemont", Section 1 of this act shall become effective
46 on the date that the Durham County Board of Elections certifies the results of the
47 election. Otherwise, Section 1 of this act shall have no force and effect.

AFFIDAVIT OF PUBLICATION

NOTICE OF INTENT TO
INCORPORATE
ROUEMONT
Within the next fifteen
days, a request will be
submitted to the Joint
Legislative Study Com-
mission on Municipal In-
corporation of the NC
General Assembly for
the incorporation of
approx. 3.85 square
miles of northern Dur-
ham County encom-
passing approx. 1060
residents into the town
of Rougemont. Legal
petitions with 309 signa-
tures for incorporation
have been verified by
the Durham County
Board of Elections,
53.5% the 578 regis-
tered voters in the area
to be incorporated.
H-S: 1-10, 17, 2005

State of North Carolina
County of Durham

Teresa Ellis being duly sworn says that she is the
Principal Clerk of The Durham Herald Co., Inc., publishers
of The Herald-Sun, a newspaper published in and of general
circulation in said County, and that a notice of which the
annexed is a true copy, was published in said newspaper one
time each week for 2 successive weeks beginning on the
10th day of January, 2005.

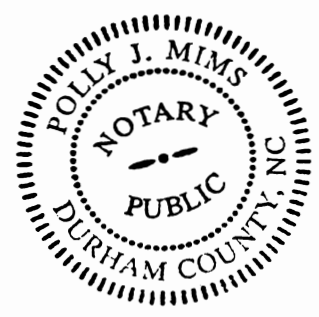
Teresa Ellis
Principal Clerk

Sworn to and subscribed before me this 17th day of January, 2005.

Polly J. Mims
Notary Public

My commission expires December 16, 2006.

Durham County, North Carolina



Tuesday, February 22, 2005

Honorable Gordon Cromwell
Mayor of Morrisville
110 Holly Creek Road
Morrisville, NC 27560

Mayor of Morrisville Honorable Gordon Cromwell:

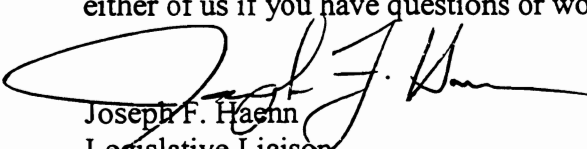
On Monday, January 24, 2005, the Joint Legislative Commission on Municipal Incorporations of the North Carolina General Assembly was presented with a package of materials requesting the incorporation of approximately 3.85 square miles of northern Durham County into the town of Rougemont. Petitions signed by 309 residents within the proposed town limits have been validated by the Durham County Board of Elections. These signatures represent more than 53 percent of the registered voters in the area to be incorporated and over 70 percent of the citizens who had a chance to sign this petition. This is well in excess of the 15 percent of the registered voters needed to proceed and guarantees approval by voters in a subsequent election upon approval by the General Assembly.

In total, there are approximately 1,065 Durham County residents in the area to be incorporated. The approximate area to be incorporated is provided by the attached map. Also attached are blank copies of the incorporation petition and a FAQ sheet that provides further information about the incorporation. It should be noted that the proposed charter for the Town of Rougemont precludes subsequent annexation into any county outside of Durham County.

As required by the State procedures for municipal incorporation, a legal notice announcing the intention to incorporate this area was published in the Durham Herald-Sun on the consecutive Mondays of January 10 and 17, 2005. All Durham County Commissioners, Durham City Council Members, the Mayor, the Durham County Manager, and the Durham City Manager were duly notified through packets of information delivered to their offices on Friday, January 14, 2005.

As you can see, this effort has the overwhelming support of the residents of Rougemont. We hope that you recognize the importance of citizens for self-determination and sincerely hope that you will support us in this effort.

For further information, please contact John Anderson at 477-2067 or Joseph Haenn at 477-3269 (home; Rougemont) or 715-0243 (office; Raleigh). Please feel free to contact either of us if you have questions or would like further information.



Joseph F. Haenn
Legislative Liaison,
Rougemont Incorporation Committee

Tuesday, February 22, 2005

Kevin C. Foy
Mayor of Chapel Hill
19 Oakwood Drive
Chapel Hill, NC 27517

Mayor of Chapel Hill Kevin C. Foy:

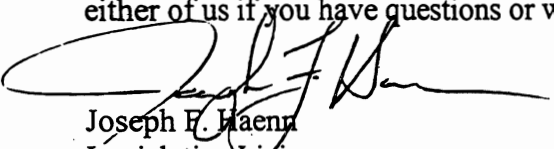
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Joseph F. Haenn
Legislative Liaison,
Rougemont Incorporation Committee

Wednesday, November 19, 2005

Honorable Gordon Cromwell
Mayor of Morrisville
110 Holly Creek Road
Morrisville, NC 27560

Mayor of Morrisville Honorable Gordon Cromwell:

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**Assessment of Petition
by
Town of Rougemont
for
Incorporation**

Relative to NC G.S. 120-163 and NC G.S. 120-164

**North Carolina Department of Commerce
Division of Community Assistance**

According to G.S. 120-163, the proposed municipality may not contain any non-contiguous areas. According to an examination of the map presented with the petition, the proposed Town of Rougemont does not contain any non-contiguous areas.

According to G.S. 120-164, not later than five days before submitting the petition to the Commission, the petitioners shall notify:

- (1) The board or boards of county commissioners of the county or counties where the proposed municipality is located.
- (2) All cities within that county or counties.
- (3) All cities in any other county that are within five miles of the proposed municipality of the intent to present the petition to the Commission.

The petition did include copies of the notification letters to Durham County, all municipalities within Durham County, and all municipalities within five (5) miles of the proposed village. Therefore, all required notification letters were sent.

According to G.S. 120-164, "[t]he petitioners shall also publish, one per week for two consecutive weeks, with the second publication no later than seven days before submitting the petition to the Commission, notice in a newspaper of general circulation in the area proposed to be incorporated of the intent to present the petition to the Commission."

The notice was published in The Sun-Herald newspaper for two successive weeks beginning January 10, 2005. An affidavit of publication were included in the petition.

Division of Community Assistance staff has reviewed the petition for incorporation from Rougemont as it relates to NC G.S. 120-166. That section of the General Statute refers to the nearness of the proposed new 'Town of Rougemont' to other municipalities. Part (a) of that section sets criteria based on the nearness of the proposed new Town to existing municipalities and their respective populations. Note that the General Statute requires that the population values be in accordance with the most recent decennial federal census, or according to the most recent annual estimate of the Office of State Budget and Management if the municipality was incorporated since the return of that census. These relationships are presented in the following table.

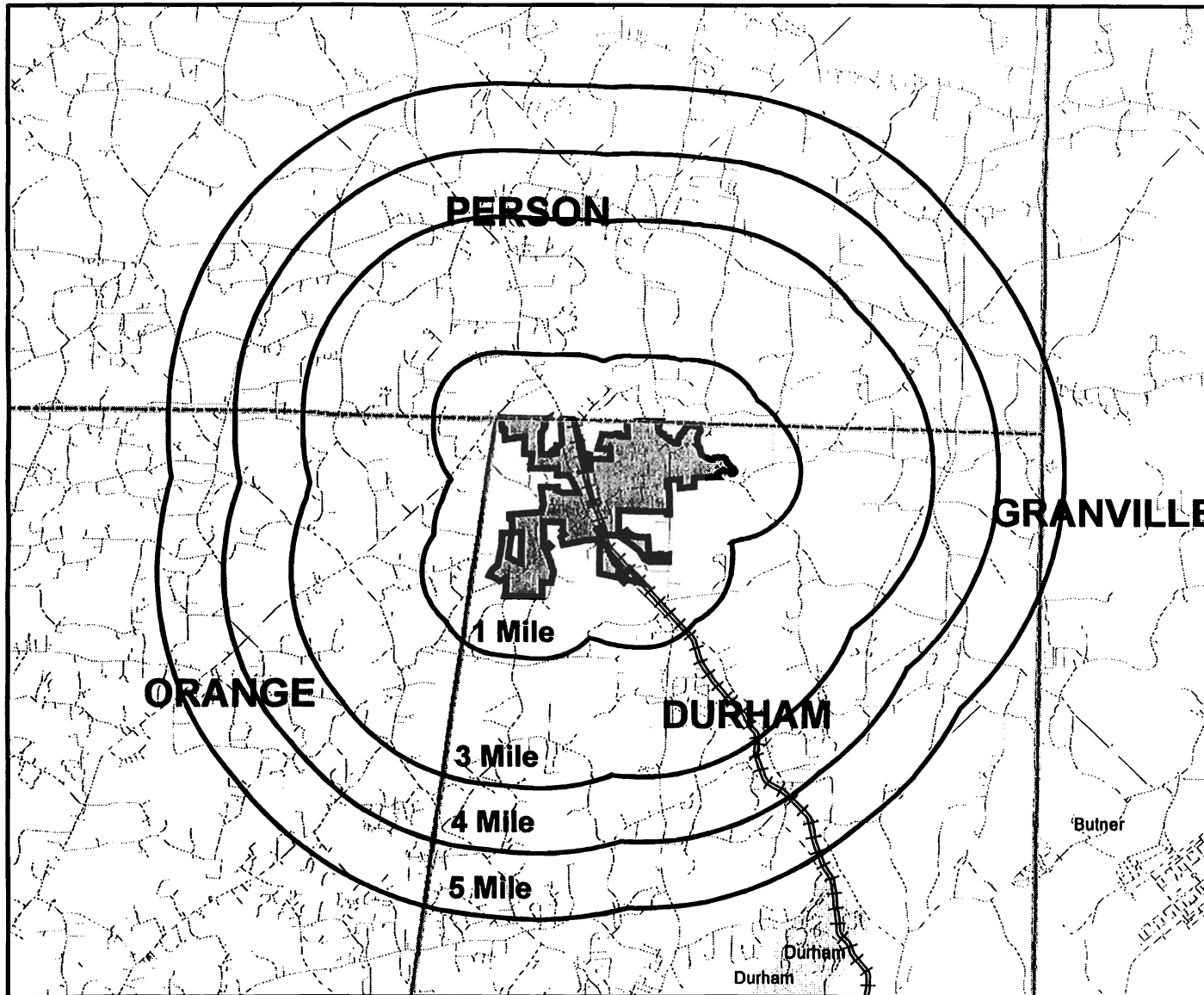
Critical Distance	Population of Neighboring Municipality
1 mile	5,000 to 9,999
3 miles	10,000 to 24,999
4 miles	25,000 to 49,999
5 miles	50,000 and over




No municipalities are within the distance thresholds set in the statute. No nearby municipality falls within the population and distance thresholds set in G.S. 120-166(a).

The Commission is not precluded from making a positive recommendation on the petition for incorporation relative to the proposed Town of Rougemont, in accordance with NC G.S. 120-166.

Information sources: The foregoing assessment was based on information contained in the petition, and GIS data provided by the Durham County GIS Department. A buffer analysis (an ArcGIS® utility) was performed on the proposed boundary that was presented on the map attached to the petition. The 2000 Census population values were retrieved from the NC Office of State Budget and Management, State Demographics web site (<http://demog.state.nc.us/>).

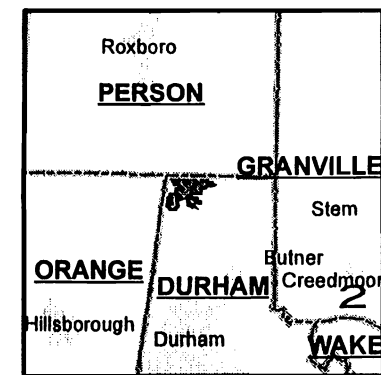
Rougemont Incorporation Study



 County Line
 Proposed Incorporation Rougemont
 Railroads

Notes:
 1, 3, 4 and 5 Mile Buffers Placed around proposed Incorporation

1 0.5 0 1 Miles



GIS/ Mapping RRO - NC Dept of Commerce/ DCA 02.25.2005



Division of Community Assistance (DCA) staff has reviewed the petition for incorporating the Town of Enochville relative to NC G.S. 120-167 through G.S. 120-170. The following discussion addresses each of these sections of the General Statutes.

NC G.S. 120-167 Additional criteria; population.

NC G.S. 120-167 refers to population and requires that the permanent population must be at least 100 and the population density (permanent and seasonal) must be at least 250 persons per square mile. The Rowan County Board of Elections determined there are 2,150 registered voters in the proposed Town of Enochville, which exceeds the required minimum permanent population. The Division of Community Assistance performed a land use survey of the subject area and identified 2,220 dwelling units. The 2000 US Census reports an average of 2.52 persons per household and an occupancy rate of 92.5 percent for Rowan County. This suggests 5,175 persons likely reside in the proposed area with a population density of 700.27 persons per square mile. It appears that NCGS 120-167 is satisfied.

7.3874054

NC G.S. 120-168 Additional criteria; development.

NC G.S. 120-168 refers to development and requires that at least 40 percent of the area must be “developed for residential, commercial, industrial, institutional, or governmental uses, or is dedicated as open space under the provisions of a zoning ordinance, subdivision ordinance, conditional or special use permit, or recorded restrictive covenant.”(1985 (Reg. Sess., 1986), c. 1003, s. 1.)

DCA used a land use survey combined with an analysis of available tax information to determine the degree of development. The survey considered parcels as “developed” if they had land use characteristics that were residential, commercial, institutional or governmental, industrial, or dedicated open spaces. Vacant parcels, , forested parcels, or agricultural parcels were considered “undeveloped”.

DCA’s analysis indicated that 40.33 percent of the subject area is developed (see Table 1 and Map A). It appears that NC G.S. 120-168 is satisfied.

NC G.S. 120-170 Findings as to services.

NC G.S. 120-170 requires that the proposed municipality can provide, at a reasonable tax rate the services requested by the petition and that the proposed municipality can provide at a reasonable tax rate the types of services usually provided by similar municipalities. Enochville has proposed a \$.05/\$100 property tax rate with an estimated annual property tax revenue of \$115,795. As a result of the types of services the Town of Enochville plans to provide and the manner in which those services would be provided, the proposed \$.05/\$100 property tax rate appears to be reasonable.

There is insufficient data available on newly incorporated municipalities to accurately compare their tax rate with the tax rate proposed by Enochville. However, to give some indication of a comparison of Enochville's tax rate and that assessed by similar municipalities, DCA compared Enochville with the North Carolina Department of Treasurer 2003 Municipal Financial Profiles. Enochville has proposed a \$.05/\$100 property tax rate with an estimated property tax revenue of \$115,795. In comparison, the North Carolina Department of Treasurer indicates in its report that in 2003, municipalities between 2500 and 9,999 persons had an average property tax rate of \$0.3376/\$100 assessment and an average property tax revenue of \$1,311,848. Based on an estimated tax base of approximately \$231.6 million, to generate property tax revenue similar to municipalities between 2500 and 9,999 persons, the proposed Town of Enochville would need to levy a tax rate of approximately \$0.5664/\$100 of valuation. It should be noted that Enochville is at the middle of the range in the Profiles, and therefore may not need as much revenue as the comparison range average. As stated above, Enochville can provide the four proposed services at a reasonable tax rate, but would not be able to provide additional services without a significant property tax rate increase. It appears that NC G.S. 120-170 is satisfied.

Conclusion

It appears that the proposed Town of Enochville does satisfy the North Carolina General Statutes 120-167 through 120-170.. The Commission is precluded from making a positive recommendation on the incorporation of the proposed Town of Enochville.

Information sources:

Petition for Incorporation of the Town of Enochville
2000 US Census, <http://www.census.gov/> (referenced 01/05)
Rowan County GIS Department, Parcel Data and Assessment Data
North Carolina Office of State Treasurer, http://www.treasurer.state.nc.us/lgc/units/D_NC.htm
(referenced 01/05)
NC DOT GIS Data Layers, Distributed by NC CGIA (2004)

1. Sales Tax Revenue Change:

Durham County distributes sales tax revenues on a per capita basis. This analysis uses 2004-05 actual sales tax distribution to show how that distribution would have changed had Rougemont been incorporated at that time.

Current

County	Municipalities	Population	% Population	Sales Tax Distribution
Durham		233,548	53.8%	2,694,006
	Chapel Hill	2,019	0.5%	23,289
	Durham	198,644	45.7%	2,291,384
	Morrisville	-	0.0%	0
	Raleigh	142	0.0%	1,638
	TOTAL	434,353		5,010,317

With Incorporation

County		Population	% Population	Sales Tax Distribution	Change
Durham		233,548	53.6%	2,687,855	(6,151)
	Chapel Hill	2,019	0.5%	23,236	(53)
	Durham	198,644	45.6%	2,286,152	(5,232)
	Morrisville	-	0.0%	-	-
	Raleigh	142	0.0%	1,634	(4)
	Rougemont	994	0.2%	11,440	
	TOTAL	435,347			

2. Powell Bill Allocation Change

Annually state street aid or Powell Bill allocations are made to incorporated municipalities which establish their eligibility and qualify as provided by G.S. 136-41.1-.3. The amount allocated to each municipality is based on both population and qualifying street miles within the municipality.

FY 2003-04 population-based allocations assumed a total, statewide municipal population of 4,331,622 and available funds of \$101,479,153. This created a per capita distribution rate of \$ 23.43.

Adding the new population of Rougemont (994) to the statewide total creates a new population of 4,332,616. However, the change is too small to have a visible impact on the per capita distribution rate, which would remain the same. Therefore, incorporation will have no impact on the Powell Fund distributions received by other Durham county municipalities.

3. Utility Excise Tax:

Of the 3.22% state excise tax rate on the in-state gross receipts of gas, power and light and telephone companies, 3.09 percentage points (or 96% of collections) are distributed to the respective municipalities within which these services took place. In 2002-03 the statewide total was \$127.3 million.

Because Rougemont only incorporates new areas (areas not currently a part of another municipalities) no revenue shift is expected. Any revenue received by Rougemont from this tax would be new or drawn from the NC General Fund.

Note: Population numbers used for sales tax and Powell bill allocation vary due to the year used by the controlling agency.

Prepared by:

Linda Struyk Millsaps, Fiscal Research Division.

Alexei Pavlichev, Fiscal Research Division.

July 8, 2005.